

Taxation Bureau
Post Office Box 3380
Jefferson City, Missouri 65105-3380

STATE OF MISSOURI

Department of Revenue

Fax # (573) 522-1160 — Phone: (573) 751-5875

E-mail: LocalGov@dor.mo.gov



November 2005

RE: Sales Tax Holiday

Dear Official:

For the past two years, state and local governments have worked cooperatively with retailers to implement a sales tax holiday on back-to-school items. Section 144.049, RSMo, establishes an annual sales tax holiday during a three-day period beginning at 12:01 a.m. on the first Friday in August and ending at midnight on the following Sunday.

According to the statute, political subdivisions may choose to participate in or opt out of participating in the sales tax holiday. By law, any political subdivision that opted out of the 2004 sales tax holiday was automatically opted out of participating in the 2005 sales tax holiday. Please note, however, that the statute does not contain an automatic opt out provision for sales tax holidays after 2005.

Therefore, regardless of any previous ordinance, if your political subdivision wishes to opt out of future sales tax holidays, you must enact a new ordinance and notify the Department of Revenue at least 45 days prior to the next sales tax holiday. Such notification must include a copy of the ordinance for the department's records. After notifying the department, your political subdivision will not participate in all future holidays unless a new ordinance is enacted and the department is notified of the decision to opt back in. Please send notifications to:

Taxation Bureau
P.O. Box 3380
Jefferson City, MO 65105-3380

If you want to opt out of the 2006 sales tax holiday, the department must receive notification by June 20, 2006.

If you have any questions, please contact the Technical Support Section at the above address, e-mail address or phone number.

Sincerely,

A handwritten signature in black ink, appearing to read "Stan Farmer", is written over a horizontal line.

Stan Farmer
Tax Administrator

Taxation Bureau